

UNITED STATES DISTRICT COURT.  
SOUTHERN DISTRICT OF OHIO  
WESTERN DIVISION

DONNA SCOTT,

Plaintiff,

vs.

THE UNION CENTRAL LIFE,  
INSURANCE COMPANY,  
Defendant.

CASE NO.  
C-1-02-075

DEPOSITION OF: JOHN JACOBS  
TAKEN: By the Plaintiff  
DATE: June 27, 2003  
TIME: Commencing at 1:18 p.m.  
PLACE: Offices of:  
The Union Central Life  
Insurance Company  
1876 Waycross Road  
Cincinnati, Ohio 45240  
BEFORE: Raymond E. Simonson  
Registered Merit Reporter  
Notary Public-State of Ohio

1  
2 APPEARANCES:

3 On behalf of the Plaintiff:

4 GEORGE M. REUL, ESQ.  
5 of  
6 Freking & Betz  
7 Fifth Floor  
8 215 East Ninth Street.  
9 Cincinnati, Ohio 45202

10 On behalf of the Defendant:

11 DEBORAH DeLONG, ESQ.  
12 of  
13 Dinsmore & Shohl, LLP  
14 1900 ChemEd Center  
15 255 East Fifth Street.  
16 Cincinnati, Ohio 45202

17 Also present: Donna Scott

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19 S T I P U L A T I O N S

20 It is stipulated by and between counsel  
21 for the respective parties that the deposition of JOHN  
22 JACOBS, a witness herein, may be taken at this time by  
23 Counsel for the Plaintiff as upon cross-examination  
24 pursuant to the Federal Rules of Civil Procedure; that  
the deposition may be taken in stenotypy by the notary  
public-court reporter and transcribed by him out of  
the presence of the witness; that the transcribed  
deposition is to be submitted to the witness for his

1 Q. Do you ever remember having any  
2 individual meetings with Ms. Scott?

3 A. Yes.

4 Q. Okay. Tell me about what you can  
5 remember about that.

6 A. The particular circumstance that I do  
7 specifically recall, Donna came to me with a concern  
8 about whether she would be able to secure an NASD  
9 license, which we had made a requirement for Annuity  
10 Service Reps. We were interested in cross-training  
11 all of our Reps to be able to value both variable  
12 annuities and fixed annuities. And to do variable  
13 annuities we needed our people to be NASD-security  
14 licensed.

15 Donna and I discussed her concerns. I  
16 indicated I would check into how well founded those  
17 concerns were; in other words, was it going to be a  
18 problem? She had a hesitancy to fill out the  
19 application without knowing whether it was going to be  
20 an issue for the licensing or not. And then I  
21 proceeded to make those inquiries.

22 Q. Okay. This was a new requirement that  
23 the Company was putting in place for the Annuity Reps  
24 to have the NASD license?

1 A. Yes.

2 Q. What time frame are we talking about?

3 A. The best I can give you is the mid '90's.

4 Q. Okay.

5 A. I really couldn't pin down a year.

6 Q. And what do you recall about the nature  
7 of Donna's concern with the NASD license?

8 A. That there was something in her  
9 background that, in a background search, would be  
10 exposed that she felt could disqualify her from  
11 getting the license. And she was concerned, then,  
12 about her job if she got disqualified for the license.

13 Q. Okay. Do you know what it was in her  
14 background that she was concerned about?

15 A. No, I don't specifically know.

16 Q. You said you looked into it for her. Can  
17 you describe for me, as best you can remember, kind of  
18 what you did and what the result was?

19 A. I contacted somebody -- and I don't  
20 remember who the somebody was -- and asked them if  
21 they could make a discreet inquiry with the NASD as to  
22 whether a particular issue would or would not  
23 disqualify somebody.

24 I'm assuming, but I can't remember

1 specifically, that I asked them to talk to Donna about  
2 what the particular issue was. And I recall that the  
3 answer came back that the issue she had a concern  
4 about -- the NASD said they would not disqualify her  
5 from being licensed and that, therefore, was not going  
6 to be an issue.

7 Q. Okay. Do you think you knew at the time  
8 what her concern was in terms of what it was in her  
9 background, and you just can't remember exactly  
10 sitting here today?

11 A. No, I honestly had no idea then or now  
12 the nature of the concern.

13 Q. Okay. Do you recall at any time prior to  
14 Ms. Scott leaving the Company, which was April 2001,  
15 being made aware that she had concerns regarding pay  
16 issues in Annuity?

17 A. Yes.

18 Q. Okay. Tell me about that.

19 A. I have a general awareness that she had  
20 concerns. I can't tell you specifically how I became  
21 aware of that, but that there were concerns over  
22 whether she was being paid adequately compared to  
23 other people in the department.

24 Q. Okay. Do you think that might have been

1 something that Mr. Pretty would have made you aware  
2 of?

3 A. That would be the most logical  
4 conclusion.

5 Q. Okay. Do you think that was something  
6 that would come to your attention prior to you  
7 becoming President? Maybe while you had direct  
8 responsibility for Annuity?

9 A. I would assume so.

10 Q. Okay. Did you recommend any particular  
11 course of action in terms of dealing with that issue  
12 and concern over pay?

13 A. I have no specific recollection of  
14 specifically how it was discussed or what I might have  
15 recommended.

16 Q. Okay. Do you know whether Mr. Pretty or  
17 anybody else in the Company took any action to kind of  
18 investigate the circumstances of her concern?

19 A. My general recollection is yes, but I  
20 don't recall the specifics.

21 Q. Do you know whether gender or age was a  
22 factor according to Ms. Scott at that time with the  
23 pay issue?

24 I don't know if that question was really